

SECTION III. CONTROL AREA SERVICE RATES

B. GENERATION IMBALANCE SERVICE

The rates below apply to generation resources in the BPA Control Area if Generation Imbalance Service is provided for in an interconnection agreement or other arrangement. Generation Imbalance Service is taken when there is a difference between scheduled and actual energy delivered from generation resources in the BPA Control Area during a schedule hour.

1. RATES

a. Imbalances Within Deviation Band 1

Deviation Band 1 applies to deviations that are less than $\pm 1.5\%$ of the scheduled amount of energy, or ± 2 MW, whichever is larger in absolute value. BPA-TBL will maintain deviation accounts showing the net Generation Imbalance (the sum of positive and negative deviations from schedule for each hour) for Heavy Load Hour (HLH) and Light Load Hour (LLH) periods. Return energy may be scheduled to bring the deviation account balances to zero at the end of each month. BPA-TBL will approve the hourly schedules of return energy. The customer shall make the arrangements and submit the schedule for the balancing transaction.

The following rates will be applied when a deviation balance remains at the end of the month:

- (i) When the monthly net energy (determined for HLH and LLH) delivered from a generation resource is less than the energy scheduled, the charge is BPA's incremental cost based on the applicable average HLH and average LLH incremental cost for the month.
- (ii) When the monthly net energy (determined for HLH and LLH) delivered from a generation resource is greater than the energy scheduled, the credit is BPA's incremental cost based on the applicable average HLH and LLH incremental cost for the month.

b. Imbalances Within Deviation Band 2

Deviation Band 2 applies to the portion of the deviation i) greater than $\pm 1.5\%$ to $\pm 7.5\%$ of the scheduled amount of energy, or

ii) greater than ± 2 MW to ± 10 MW of the scheduled amount of energy, whichever is larger in absolute value.

- (i) When energy delivered in a schedule hour from the generation resource is less than the energy scheduled, the charge is 110% of BPA's incremental cost.
- (ii) When energy delivered from the generation resource is greater than the scheduled amount, the credit is 90% of BPA's incremental cost.

c. Imbalances Within Deviation Band 3

Deviation Band 3 applies to the portion of the deviation i) greater than $\pm 7.5\%$ of the scheduled amount of energy, or ii) greater than ± 10 MW of the scheduled amount of energy, whichever is larger in absolute value.

- (i) When energy delivered in a schedule hour from the generation resource is less than the energy scheduled, the charge is 125% of BPA's highest incremental cost that occurs during that day. The highest daily incremental cost shall be determined separately for HLH and LLH.
- (ii) When energy delivered from the generation resource is greater than the scheduled amount, the credit is 75% of BPA's lowest incremental cost that occurs during that day. The lowest daily incremental cost shall be determined separately for HLH and LLH.

2. OTHER RATE PROVISIONS

a. BPA Incremental Cost

BPA's incremental cost will be based on an hourly energy index in the PNW. If no adequate hourly index exists, an alternative index will be used. The index to be used will be posted on the OASIS at least 30 days prior to use for determining the BPA incremental cost.

b. Spill Conditions

For any day that the Federal System is in a Spill Condition, no credit is given for negative deviations (actual generation greater than schedules) for any hour of that day.

c. Intentional Deviation

No credit is given for negative deviations (actual generation greater than schedules) for any hour(s) that the imbalance is an Intentional Deviation (as determined by BPA-TBL).

For positive deviations (actual generation less than schedules) which are determined by BPA-TBL to be Intentional Deviations, the charge is the greater of: i) 125% of BPA's highest incremental cost that occurs during that day, or ii) 100 mills per kilowatthour.

d. Exemptions from Deviation Band 3

The following resources are not subject to Deviation Band 3:

- i) wind resources; and
- ii) new generation resources undergoing testing before commercial operation for up to 90 days.

All such deviations greater than $\pm 1.5\%$ or ± 2 MW will be charged consistent with section 1.b., Imbalances Within Deviation Band 2.

SECTION II. ANCILLARY SERVICE RATES

D. ENERGY IMBALANCE SERVICE

The rates below apply to Transmission Customers taking Energy Imbalance Service from BPA-TBL. Energy Imbalance Service is taken when there is a difference between scheduled and actual energy delivered to a load in the BPA Control Area during a schedule hour.

1. RATES

a. Imbalances Within Deviation Band 1

Deviation Band 1 applies to deviations that are less than $\pm 1.5\%$ of the scheduled amount of energy, or ± 2 MW, whichever is larger in absolute value. BPA-TBL will maintain deviation accounts showing the net Energy Imbalance (the sum of positive and negative deviations from schedule for each hour) for Heavy Load Hour (HLH) and Light Load Hour (LLH) periods. Return energy may be scheduled to bring the deviation account balances to zero at the end of each month. BPA-TBL will approve the hourly schedules of return energy. The customer shall make the arrangements and submit the schedule for the balancing transaction.

The following rates will be applied when a deviation balance remains at the end of the month:

- (i) When the monthly net energy (determined for HLH and LLH) taken by the Transmission Customer is greater than the energy scheduled, the charge is BPA's incremental cost based on the applicable average HLH and average LLH incremental cost for the month.
- (ii) When the monthly net energy (determined for HLH and LLH) taken by the Transmission Customer is less than the energy scheduled, the credit is BPA's incremental cost based on the applicable average HLH and LLH incremental cost for the month.

b. Imbalances Within Deviation Band 2

Deviation Band 2 applies to the portion of the deviation i) greater than $\pm 1.5\%$ to $\pm 7.5\%$ of the scheduled amount of energy, or ii) greater than ± 2 MW to ± 10 MW of the scheduled amount of energy, whichever is larger in absolute value.

- (i) When energy taken by the Transmission Customer in a schedule hour is greater than the energy scheduled, the charge is 110% of BPA's incremental cost.
- (ii) When energy taken by the Transmission Customer in a schedule hour is less than the scheduled amount, the credit is 90% of BPA's incremental cost.

c. Imbalances Within Deviation Band 3

Deviation Band 3 applies to the portion of the deviation i) greater than $\pm 7.5\%$ of the scheduled amount of energy, or ii) greater than ± 10 MW of the scheduled amount of energy, whichever is larger in absolute value.

- (i) When energy taken by the Transmission Customer in a schedule hour is greater than the energy scheduled, the charge is 125% of BPA's highest incremental cost that occurs during the that day. The highest daily incremental cost shall be determined separately for HLH and LLH.
- (ii) When energy taken by the Transmission Customer in a schedule hour is less than the scheduled amount, the credit is 75% of BPA's lowest decremental cost that occurs during that day. The lowest daily incremental cost shall be determined separately for HLH and LLH.

2. OTHER RATE PROVISIONS

a. BPA Incremental Cost

BPA's incremental cost will be based on an hourly energy index in the PNW. If no adequate hourly index exists, an alternative index will be used. The index to be used will be posted on the OASIS at least 30 days prior to use for determining the BPA incremental cost.

b. Spill Conditions

For any day that the Federal System is in a Spill Condition, no credit is given for negative deviations (actual generation greater than schedules) for any hour of that day.

c. Intentional Deviation

For any hour(s) that an imbalance is determined by BPA-TBL to be an Intentional Deviation:

- (1) No credit is given when energy taken is less than the scheduled energy.
- (2) When energy taken exceeds the scheduled energy, the charge is the greater of: i) 125% of BPA's highest incremental cost that occurs during the month, or ii) 100 mills per kilowatthour.

GRSP – SECTION III DEFINITIONS

61. SPILL CONDITION

Spill Condition, for the purpose of determining credit or payment for Deviations under the Energy Imbalance and Generation Imbalance rates, exists when spill physically occurs on the BPA system due to lack of load or market. Spill due to lack of load or market typically occurs during periods of high flows or flood control implementation, but can also occur at other times. Discretionary spill, where BPA may choose whether to spill, does not constitute a Spill Condition. Spill for fish is included in discretionary spill and is not a Spill Condition.